

VZCZCXRO7888
PP RUEHIK
DE RUEHVB #0734 3501450
ZNR UUUUU ZZH
P 161450Z DEC 09
FM AMEMBASSY ZAGREB
TO RUEHC/SECSTATE WASHDC PRIORITY 9740
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

UNCLAS ZAGREB 000734

SIPDIS
SENSITIVE

E.O. 12958: N/A
TAGS: [PGOV](#) [PREL](#) [HR](#) [ECON](#)
SUBJECT: Zagreb Daily Report - December 16, 2009

[11](#). (U) Crucial hearing at ICTY on December 16: A hearing by the Trial Chamber was scheduled to begin at 9 a.m. today, December 16, pursuant to the Trial Chamber's "responsibility to assess a state's compliance with its obligations" to cooperate with the ICTY. The GoC, which has sent a sizeable delegation to the hearing, will be watching closely for any signs from either the Prosecution or the judges that recent activities by the GoC's investigative Task Force have earned Croatia an improved assessment. The hearing will also likely consider whether the Chamber shall extend its temporary injunction freezing the GoC investigation as it relates to any members of General Gotovina's defense team.

[12](#). (U) EBRD forecasts growth of 1.5 % for Croatia in 2010: In 2009, Croatia will record a drop in Gross Domestic Product (GDP) of 5-6 percent, and in 2010 its GDP will go up by around 1.5 percent, according to the European Bank for Reconstruction and Development's (EBRD) Transition Report for 2009, released in Zagreb on Tuesday. The EBRD's chief economist, Peter Sanfey, said Central and East Europe has withstood the crisis better than many had expected due to strong commitment to reforms, and in Croatia's case, accession to the EU.

[13](#). (U) While per capita GDP is 63 percent of EU average: Croatia's gross domestic product (GDP) at purchasing power parity (PPP) per capita was 63 per cent of the European Union average last year, according to figures released on Tuesday by Eurostat. Croatia has a higher GDP than five EU countries -- Lithuania (62 per cent of the EU average), Latvia (57%), Poland (56%), Romania (47%) and Bulgaria (41%).

FOLEY